

AMTREN
corporation

March 30, 2006

Andy Hart
Vice President
Mid South Bank
2526 West Main Street
Dothan, AL 36303



RE: 2005 Line of Credit Planning & Renewal

Dear Andy,

Amtren has carefully laid the groundwork that is now allowing our quick response to volume increase and new product introduction. Amtren's products are known for quality and performance. Additionally, Amtren maintains one of the best reputations in this market. We currently are the 3rd largest supplier in this market, though there is a sizeable gap from the #3 to the #2 position.

Over the past 7 years I have personally reinvested over \$350,000 into the expansion of Amtren. As profits have increased, so has my reinvestment. During 2004, Amtren purchased over \$85,000 in capital improvements. This reinvestment takes full advantage of the IRS Section 179 regulation. We carefully monitored profits through the first 4-5 months of the year to gauge our spending budget. A lot of these investments are expensed, though most are shown on our balance sheet, adjusted for depreciation. I have a strong belief that Amtren's expansion spending should be based on profits.

In addition to the capital reinvestment, I allocated a sizeable percentage of the yearly profits to the employees. This is provided in two plans, a year end cash bonus and through a protected profit sharing plan that is managed by Merrill Lynch. For 2004, I allocated \$150,000 to this category. This is well over 50% of our net profits, but this is the best method to keep Amtren's staff and operations lean and efficient.

We still operate a very conservative sales growth plan. Our distribution channel is through only a handful of companies. Expanding this distribution channel is one of the key goals of our 2005 corporate plan. We have already secured a European Stocking and Service Facility in Belgium. This will allow significant international growth.

We receive a number of volume purchase inquiries for companies that will use a burning system in their own product. I think vertical growth will be one of our strongest revenue sources at the end of 2005 or early 2006. One of our new models is geared to facilitate the needs of these companies. I have included promotional information about one of the largest verticals that has selected Amtren's products to be "engine" for their final product.

Two key management resources were added in the last 6 months. Len Traywick is a seasoned operations manager and has been instrumental in placing management control into our operations. Jerry Weisenfeld is a key business management resource and is quickly learning each part of the overall business operations. With Jerry and Len added to Janice McCollum's tight financial control, factor in the 7-8 year staff of engineering and production veterans; if faced with the need, Amtren can now run without my daily presence. This is a major achievement as I can now have the time to pursue higher level activities.

If I can be afforded this time, I have a plan that will take the best of 3-4 companies and merge them into a venture that would position our products for the "laser printer" market potential (100,000's units per month). It is extremely important that I retain control of this merger and I will not move forward if this cannot be achieved. Without control, we would be better to market the line as a whole to HP or similar companies.

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In 2004 Amtren had sales of \$3,370,928. This represents a 23% growth over 2003 sales of \$2,700,000. The profits before year end bonuses exceeded \$275,000. If you add back the reinvestment of \$85,000 to the \$275,000 allows that the profits before the investment tax credit were in excess of \$360,000.

For 2005 current YTD sales ending 3/28/05 are \$1,035,314 providing a decent start in 2005. If you add the open orders of an additional \$1,089,441; we have effectively secured over 60% of 2004's sales.

With the inventory requirements of our expanding product line I feel that increasing our line of credit is justified. Our attempts to keep up with this growth using the current \$200,000 line has been a challenge.

We have plans to expand our office space and complete the unfinished section of the 2nd floor. We have obtained bids that show a cost of \$65,000 for this improvement. We would like to secure the \$65,000 and add this to the current facility mortgage balance of \$450,596.

In the rear of this binder I have included a power point presentation that allows a birdseye view of our corporate planning for 2005-2006.

I hope that this will meet with your approval.

Regards
AMTREN CORPORATION



Kirk Lamberth
President